

3. The DEQ will retain its normal portion of fees paid to maintain the subdivision review program.
4. The total number of subdivisions is approximately 1500.
5. This bill will not directly increase fees or the number of subdivisions reviewed in total. DEQ will proceed with proposed rulemaking to increase fees to fund the additional payments to counties.

FISCAL IMPACT:

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
<u>Expenditures:</u>		
Grants	204,000	204,000
<u>Funding:</u>		
State Special Revenue (02)	204,000	204,000
<u>Revenues:</u>		
State Special Revenue (02)	0	0
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
State Special Revenue (02)	(204,000)	(204,000)

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

Current reimbursements to counties for subdivision reviews will increase due to a separate rulemaking by the DEQ. This bill would allow a further increase in revenue to counties for additional reviews, because the types of reviews performed by counties are proposed to change. The result is that counties, if they choose to contract for the new review level, could perform 70-80% of reviews. However, to do so, each county would need to decide whether or not to add staff with expertise (engineers and hydrologists) sufficient to perform the reviews. Also, counties have two ways to collect payment for reviews performed: 1) reimbursement from the state, and 2) instituting local fees. Each county could address their staffing and expense needs in a different manner.

LONG-RANGE IMPACTS:

If the counties continue to increase the number of subdivisions reviewed, the state would reassess its staffing needs and, possibly in the long term, decrease the state FTE. It would not be possible to totally reduce state staff who are currently dedicated to subdivision review, since the state continues to maintain the responsibility for local government rule review, technical assistance to counties, and promulgation of state standards, rules, and technical manuals used in the subdivision review process. As described above in impacts to counties, the counties may need to add staff and develop local fee structures.